

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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SF 2178 - Endow Iowa Tax Credit Cap (LSB 5485 SV)

Analyst: Jeff Robinson (Phone: (515) 281-4614) ([jeff.robinson@legis.state.ia.us](mailto:jeff.robinson@legis.state.ia.us))

Fiscal Note Version - New

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**Description**

Senate File 2178 increases the annual amount of income tax credits available under the Endow Iowa Tax Credit Program by \$1.0 million. The Bill also reduces the maximum percentage of total tax credits awarded that one taxpayer may receive. The current maximum percentage is 5.0%. The Bill reduces the percentage to three and one-third percent. The Bill is effective July 1, 2008.

**Assumptions**

1. Endow Iowa Tax Credits are fully utilized at the current level and will be fully utilized at the increased level.
2. One-half of the additional \$1.0 million available for FY 2009 will be awarded prior to January 1, 2009.

**Fiscal Impact**

Senate File 2178 is projected to reduce net General Fund revenue by \$0.5 million in FY 2009 and \$1.0 million in FY 2010 and subsequent fiscal years.

**Sources**

Department of Economic Development

/s/ Holly M. Lyons

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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